EXHIBIT H.7



OFFICE OF PERSONNEL MANAGEMENT Administrator's Office

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June 13, 2017

Senator John Cooper, Co-Chairperson Representative Les Eaves, Co-Chairperson Uniform Personnel Classification and Compensation Plan Subcommittee Arkansas Legislative Council State Capitol Building, Room 315 Little Rock, Arkansas 72201

Dear Co-Chairs:

The Arkansas Department of Correction (ADC) has requested continuation of its compensation differentials previously established by Ark. Code Ann. §21-5-221(a). which states:

To address specific employee compensation needs not otherwise provided for in this subchapter, a state agency or institution may pay additional compensation for current employees in specific positions or for classifications of positions assigned to a compensation plan authorized by the General Assembly for one (1) or more compensation differentials.

The Arkansas Department of Correction has requested continuation of its compensation differentials for the classifications listed below:

| <u>DIFFERENTIAL</u> | CLASSIFICATION / CC / PG | PERCENTAGE |
|---------------------|---|-------------------|
| Geographic | Psychologist Supervisor, L001C, C129 | 6.0 % |
| Geographic | ADC Psychologist, L097C, C128 | 6.0 % |
| Geographic | Psychologist, L003C, C127 | 6.0 % |
| Geographic | Psychological Examiner, L033C, C121 | 6.0 % |
| Geographic | Licensed Certified Social Worker, M009C, C121 | 6.0 % |
| Geographic | Licensed Master Social Worker, M088C, C120 | 6.0 % |
| Geographic | Licensed Professional Counselor, M020C, C119 | 6.0 % |
| Geographic | Licensed Social Worker, M026C, C118 | 6.0 % |
| Geographic | Associate Professional Counselor, M044C, C117 | 6.0 % |
| Hazardous Duty | ADC/DCC Major, T033C, C120 | 6.0 % |
| Hazardous Duty | ADC/DCC Captain, T048C, C118 | 6.0 % |
| Hazardous Duty | ADC/DCC Lieutenant, T054C, C117 | 6.0 % |
| Hazardous Duty | ADC/DCC Food Preparation Manager, T059C, C116 | 6.0 % |
| Hazardous Duty | ADC/DCC Correctional Sergeant, T065C, C115 | 6.0 % |
| | | |

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| Hazardous Duty | ADC/DCC Corporal, T075C, C113 | 6.0 % |
|----------------|---|-------|
| Hazardous Duty | ADC/DCC Correctional Officer I, T083C, C112 | 6.0 % |
| Hazardous Duty | Food Preparation Supervisor, S056C, C111 | 6.0 % |

The above classifications may also receive an additional 6% if the position is located in a maximum security facility where the employee is exposed to hazardous conditions 85% or more of the time. The ADC is projecting the geographic differential will be used for 950 employees, costing the agency an estimated \$3,046,567 during the 2018 fiscal year. The ADC is projecting the hazardous duty differential will be used for 3,019 employees costing the agency an estimated \$8,636,954 during the 2018 fiscal year.

The Office of Personnel Management has reviewed this request from the Arkansas Department of Correction and **recommends** continuation of its previously approved compensation differentials. The agency has assured our office that it possesses the appropriate funds for maintaining these additional compensation methods through the conclusion of Fiscal Year 2018.

Your consideration of this request is greatly appreciated.

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Kay Barnhill

State Personnel Administrator

Chief Fiscal Officer of the State

JUN 01 2017

Date

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